WORKERS' COMPENSATION BOARD

Northwest Territories and Nunavut

2008 Corporate Plan

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Forward

The *2008 Corporate Plan* is built on the foundation of our past and provides focus for our future. It outlines our strategic priorities and goals, and the means by which we aim to achieve them.

The Corporate Plan is developed in correlation with the Annual Report – the Corporate Plan looks forward while the Annual Report responds to the objectives outlined in the Corporate Plan.

safety
respect

Mission, Vision, and Values

Mission

Promote workplace safety and care for injured workers.

Vision

To be recognized as a caring, efficient, and service-focused organization and a model and trusted partner in workplace safety.

Values

Concern for People

- We demonstrate care and compassion in responding to our clients' needs and to the communities we serve.
- When working with our clients, partners, other stakeholders, and each other, we do so with honesty, fairness, respect, sensitivity, and timeliness, proactively and consistently.

Collaboration & Engagement

- We work with our partners to achieve mutually beneficial outcomes.

Integrity

- We honour the commitments we make to our clients, our partners, other stakeholders, and each other.
- We lead the adoption of and model the workplace safety standards that we promote with employers and workers.

Transparency & Openness

- We will be clear to our clients about how decisions are made and the reasons for those decisions.

Governance Council

The Governance Council operates in a manner consistent with the *Workers' Compensation Acts* and Corporate Governance Directives. It is the council's responsibility to oversee the business and management conduct, while maintaining the credibility and vitality of the Workers' Compensation Board of the Northwest Territories and Nunavut (WCB).

The Governance Council has the authority and mandate to:

- establish policies for the implementation of the Workers' Compensation Acts;
- review and approve the programs and operating policies of the Board;
- establish annual operating and capital budgets;
- ensure proper stewardship of the Workers Protection Fund; and,
- enact by-laws and pass resolutions for the business and management conduct of the Board and the Governance Council.

In fulfilling its obligation to provide effective oversight, the Governance Council provides overall direction and monitors the following areas of accountability:

- setting the strategic direction;
- developing and monitoring of oversight and operating policies;
- succession planning;
- financial oversight and stewardship;
- performance management;
- risk identification and management;
- review and approval of material transaction;
- communication with key stakeholders; and,
- governance oversight.

From the Office of the Chairperson

The Workers' Compensation Board of the Northwest Territories and Nunavut (WCB) is moving forward. As Governance Council Chairperson, I am proud to share that after a year of transition, this organization enters 2008 with a renewed focus.

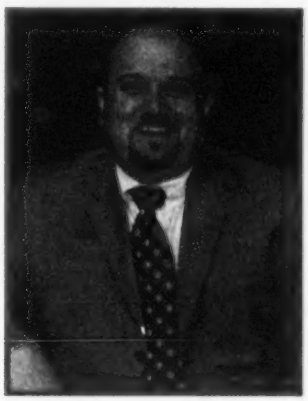
Over the past year, the WCB has fulfilled its promises. Due to favourable investment returns, northern employers received a 30% rebate on their 2006 assessment premiums. This rebate totalled nearly $10.5 million, and was awarded to all active employers in good standing. The WCB also maintained the average provisional assessment rate, $1.71 per $100 assessable payroll, for 2008.

In hopes of better serving our stakeholders, we carried over our 2007 priorities and goals. Although our organization made significant progress in achieving our goals, we still have a lot of work to do. Day after day, we see positive changes to workplace safety cultures across the North. By renewing our commitment to our 2007 priorities and goals, we recommit ourselves to sending workers home safe, every day.

The *2008 Corporate Plan* focuses on the coming year. In the future, the WCB expects to expand its strategic planning tools. Our goals and priorities will look toward a three year period, allowing us to dig deeper and aim higher.

Every year we are presented with many new opportunities and challenges. I look forward to facing these with you, as we continue to build on our successes and create safer workplaces across the Northwest Territories and Nunavut.

Denny Rodgers
Chairperson



From the Office of the President

I am pleased to introduce the *2008 Corporate Plan* of the Workers' Compensation Board of the Northwest Territories and Nunavut (WCB). It is an example of how we will put you first.

The WCB is here to serve. Over the past year, we made many positive changes to provide our stakeholders with quality customer service. We strengthened our dedication to prevention and safety. Therefore, in addition to caring for injured workers, our services include providing you with the necessary tools and resources to work safe every day.

Our Mission, Vision, and Values guide us as we move forward. They provide focus and direction. You will notice our 2008 strategic priorities and goals have one thing in common: service. Just as our employees work together to achieve our mission, promote workplace safety and care for injured workers, our priorities and goals support each other to meet the needs of an evolving northern workforce.

As our valued customers and partners in prevention you play an important role in our organization. We remain committed to continued growth and development.

I am both proud and excited to be a part of the positive changes in workplace safety across the Northwest Territories and Nunavut. The WCB is here to serve. Together, we can make a difference in the lives of northern workers and employers.

Anne S. Clark
President & CEO

Strategic Foundations

Our Responsibilities

- Promote workplace safety through education and enforcement;
- Ensure compensation and pensions are awarded to injured workers or their dependents and are paid in accordance with entitlement;
- Assess employers sufficiently and fairly to meet these obligations; and,
- Maintain a balance in providing benefits to injured workers while keeping assessment costs to employers as low as possible.

Our Service

The Workers' Compensation Board of the Northwest Territories and Nunavut (WCB) was built on what are known as the Meredith Principles. Justice William Meredith created a workers' compensation plan based on compromise; in this compromise, workers give up their right to sue their employers in the event of a workplace injury or illness and, in return, employers fund a no-fault insurance program.

The Meredith Principles form the basis of all Canadian workers' compensation systems. The four principles are: no-fault compensation, collective liability, independent administration and adjudication, and exclusive jurisdiction.

We serve approximately 33,500 workers and 3,649 employers across the Northwest Territories and Nunavut.

Our Commitment

The WCB renews its commitment to you, our stakeholders. After a year of transition, we enter 2008 grounded, ready to work with you and for you. We are committed to improve our services and provide the tools and resources necessary to create a workplace safety culture of which we can all be proud.

Strategic Themes and Priorities

To ensure we meet our commitments to you and achieve our mission, *promote workplace safety and care for injured workers*, we developed a strategic plan that provides a framework for our priorities and goals.

The WCB bases its strategic focus on four themes.

Stakeholder Focus

Financial Sustainability

Organizational Excellence

Effective Governance

These themes represent the four pillars of our organization and are built on the foundation of our Mission, Vision, and Values. Each acts as a support and provides structure to our organization.

Our strategic priorities flow from these four themes. The priorities are set by the Governance Council and define our direction for the next year. They outline what is necessary to succeed. Our four priorities:

- Healthy and Safe workplaces in the Northwest Territories and Nunavut.
- Meet the needs of workers and employers without compromising WCB financial sustainability.
- Maintain an efficient and adaptive organization, and improve the accountability of the services we deliver.
- Provide efficient, accountable leadership and governance that represents the interests of the northern workforce.

Stakeholder Focus

Healthy and safe workplaces in the Northwest Territories and Nunavut.

Workplace incidents, injuries, and illnesses are preventable. We want northern safety cultures to reflect this fact. With the right tools, training, and a strong commitment to safety, we will prevent workplace injuries and ensure northern workers return home safe every day.

Our goals:

Reduce workplace injuries and occupational disease through an injury prevention culture.

Develop partnerships in safety, prevention, and return-to-work.

To achieve our goals we will:

- offer free safety training to workers and employers;
- provide safety programming and incentives;
- work closely with workers and employers to create strong safety partnerships; and,
- focus on return-to-work.

Financial Sustainability

Meet the needs of workers and employers without compromising WCB financial sustainability.

A stable monetary foundation allows the WCB to provide benefits and services to you, our stakeholders. The WCB is fully funded by employers' assessment premiums and investment returns. We carefully budget and monitor our funds to ensure our finances can support and protect injured workers now and in the future.

Our goals:

Maintain accountability for revenues and expenses through proper stewardship of the Workers' Protection Fund.

Provide fair and affordable benefits.

To achieve our goals we will:

- monitor our investments;
- effectively manage finances and budgets;
- maintain stable assessment rates;
- investigate fraud; and,
- manage claims and incentives.

partnership

Organizational Excellence

An efficient and adaptive organization.

Our organization must grow and change to reflect the needs of workers and employers across our two territories. The WCB works for you. We want our service, staff, policies, and programs to meet your needs. Our staff is committed to excellence and strives to meet the customer service standards we set for ourselves.

Our goals:

Deliver timely, professional, and client focused services.

Develop modern, effective, and comprehensive legislation and related policies.

Attract, retain, and develop a skilled workforce.

To achieve our goals we will:

- ensure our policies reflect changes to our legislation;
- adhere to our policy review plan;
- consult our stakeholders on policy development;
- train staff;
- meet human resources competency requirements; and,
- provide services in English, French, and Inuktitut, and any other official language as requested.

Effective Governance

Provide efficient, accountable leadership and governance that represents the interests of the northern workforce.

Although our organization exists at arms-length from government, it is accountable to our stakeholders. The WCB is responsible to ensure our stakeholders are informed about WCB operations, are given the opportunity to provide feedback, and are satisfied with our service delivery.

Our goals:

Meet transparency requirements and raise public confidence.

Educate, engage, and communicate with our stakeholders.

To achieve our goals we will:

- conduct stakeholder surveys;
- host public meetings;
- consult with stakeholders about our strategic priorities and goals;
- produce informative and helpful publications;
- report on our activities and operations; and,
- maintain open communication.

Measuring our Performance

Our organization's strategic priorities and goals are reflected in the Balanced Scorecard. The Scorecard uses our strategic themes as four areas of measurement. It translates our priorities into action.

The priorities and goals are further broken down into performance measures. These measures allow us, and our stakeholders, to track our progress year after year. They help us identify areas of success and those that need improvement.

Each measure is carefully selected, they reflect the combined effort of all WCB divisions and employees. We are all committed to achieving our goals to better serve you.

	Measure	Target
Stakeholder Focus	• 5-year lost time injury frequency analysis by territory	Stable or decreasing
	• 5-year time loss trend analysis by industry class	80% or less
	• Return-to-work o Vocational Rehabilitation o Modified	Increase program awareness and outcomes
	• Training programs delivered and workers trained	Increase safety education opportunities
	• Injury frequency of targeted employers (Go Safe and Safe Advantage)	Lower than the lost time injury frequency
Financial Sustainability	• Average assessment rate per $100 payroll	No increase
	• Annual administrative costs per $100 payroll	Stable or decreasing
	• Current year benefits costs per $100 payroll	Stable or decreasing
	• Years Maximum Insurable Remuneration (YMIR)	Full compensation replacement for 70-80% of northern workforce
	• Percentage Funded	100-120%
Organizational Excellence	• Percentage of claims upheld or overturned through the appeals process	Stable or number of overturned decreasing over 3 year average
	• Time to first payment o From date of registration o From date of file completion	Payment received o 25 days o 10-15 days
	• Average claims duration	Below average as per Association of Workers' Compensation Boards of Canada (AWCBC) comparison
	• Progress through the Policy Review Plan	All policies reviewed within 3 years with consultation as identified
	• Employee learning and development	TBD
	• Employee Satisfaction	TBD
Effective Governance	• Customer satisfaction o Worker overall service and experience o Employer overall service and experience	Increase positive results
	• Stakeholder Engagement and Consultation	Consult on strategic priorities and goals once per year
	• WCB reputation and brand recognition	Increase WCB presence in the community
	• Legal requirements for financial reporting	Submission deadlines met

Reaching our Goals

Creating a workplace safety culture requires genuine commitment from workers and employers across the Northwest Territories and Nunavut. We cannot do it alone.

Through this strategic plan, we renew our commitment to you, our stakeholders. In return, we ask that you renew your commitment to workplace safety.

Our 2008 strategic priorities and goals provide us with the opportunity to make a difference in northern workplaces. Let's move forward together. With your help, we will achieve our goals.

FINANCIAL OVERVIEW

Statement of Operations

Projected Statement of Operations

for the year ending December 31 (in thousands of dollars)

	2006 Actual $	2007 Budget $	2007 Forecast $	2008 Budget $
Revenue				
Assessments	36,651	29,010	36,791	36,958
Investments	34,471	16,796	-1,110	24,000
Other	1,199	1,000	1,000	1,000
	72,321	46,806	36,681	61,958
Expenses				
Claims	33,269	33,456	31,936	31,936
Add: Claims management expense	4,281	4,861	5,033	5,033
Subtotal	37,550	38,317	36,969	36,969
Administration & general expenses	20,986	22,665	22,550	24,177
Less: Allocation to claims	4,281	4,861	5,033	5,033
Subtotal	16,705	17,804	17,517	19,144
	54,255	56,121	54,486	56,113
Gain / loss from operations	18,066	-9,315	-17,805	5,845

Statement of Reserves

Projected Statement of Reserves

for the year ending December 31 (in thousands of dollars)

	2006 Actual $	2007 Budget $	2007 Projection $	2008 Budget $
Operating Reserve				
Balance, beginning of year	15,074	10,700	11,951	14,049
Change in Accounting Policy				
Net income (loss) for the year	18,066	-9,315	-17,805	5,845
Transfer from (to) Rate stability reserve	-10,000	10,000	8,000	-12,000
Transfer to Investment fluctuation reserve	-17,499		6,699	
Transfer from Investment fluctuation reserve	6,297		5,469	6,976
Transfer from Safety Reserve	13	165	35	152
Transfer to Catastrophe reserve	0	0	-300	-300
Balance, end of year	11,951	11,550	14,049	14,722
Investment fluctuation reserve				
Balance, beginning of year	22,286	33,488	33,488	21,320
Transfer from Operating reserve	17,499	0	-6,699	
Transfer to Operating reserve	-6,297	0	-5,469	-6,976
Balance, end of year	33,488	33,488	21,320	14,344
Rate stability reserve				
Balance, beginning of year	28,000	38,000	38,000	19,000
Payment of assessment refund			-11,000	
Transfer (to) from Operating reserve	10,000	-10,000	-8,000	12,000
Balance, end of year	38,000	28,000	19,000	31,000
Safety reserve				
Balance, beginning of year	178	165	165	152
Transfer to Operating reserve	-13	-165	-35	-152
Balance, end of year	165	0	130	0
Catastrophe reserve				
Balance, beginning of year	20,250	20,250	20,250	20,550
Transfer from Operating reserve	0	0	300	300
Balance, end of year	20,250	20,250	20,550	20,850

2008 Capital Budget Summary

Schedule of Capital Asset Acquisitions - Summary

for the year ending December 31

Capital Classification	2007 Carryforward	2008 New	2008 Proposed	2009 Ongoing
New Facility (CC 51)	11,985,439		11,985,439	2,113,992
Furniture (CC 55)	62,125	55,550	117,675	
Equipment (CC 56)	578,239	496,950	1,075,189	50,000
Leasehold Improvments (CC 57)	800,000	20,000	820,000	
Computer Systems Development (CC 58)	150,000	460,000	610,000	238,000
Total	13,575,803	1,032,500	14,608,303	2,401,992

2008 Budget Requests

Schedule of Administration and General Expenditures - All Divisions

for the year ending December 31

	2006 Actual	2007 Budget	2007 Projection	2008 Budget Requests
Corporate Services	2,259,138	2,231,978	2,446,052	3,098,444
NWT Operations	2,397,696	2,652,761	2,523,501	2,823,972
Nunavut Operations	1,938,597	2,095,790	1,965,179	2,097,643
Prevention Services	2,746,887	3,226,658	2,713,924	3,158,224
Legal	1,499,976	1,365,515	1,291,246	1,265,578
Medical	803,960	836,978	934,842	1,044,408
President	6,885,408	6,621,973	7,072,260	7,029,666
Overhead/Third Party	1,555,176	2,367,801	2,487,801	2,017,801
Subtotal	20,086,838	21,399,454	21,434,805	22,535,736
Governance Council	423,451	523,159	381,109	437,784
Appeals Tribunal	313,626	548,159	384,400	653,006
Worker Advisor	150,341	184,425	184,425	240,600
Northern Construction Safety Association	-	235,550	100,000	310,125
Total	20,974,256	22,890,747	22,484,739	24,177,251

Governance Council

Denny Rodgers
Chairperson
Inuvik, NT

Fred Koe
Public Interest Representative
Yellowknife, NT

Shona Barkley
Director
Labour Representative
Iqaluit, NU

Bill Aho
Employer Representative
Yellowknife, NT

Steve Petersen
Director
Labour Representative
Yellowknife, NT

Karin McDonald
Employer Representative
Inuvik, NT

George Kuksuk
Director
Public Interest Representative
Arviat, NU

Senior Management

Anne S. Clark
President and
Chief Executive Officer

John Doyle
Director, Corporate Services

Kim Collins Riffel
Director, Human Resources

Sylvester Wong
VP, Prevention Service

Michael Triggs
Director, Legal Services

Marie Wilson
VP, NWT Operations

David King
Chief Medical Advisor

Derek Dinham
VP, Nunavut Operations

Dave Grundy
Director, Communications
and Information

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